

**NOTE: THIS SECTION MAY BE REVISED IN RESPONSE TO COMMENTS
FROM THE MEDICAID PROGRAM.**

Article 1. MARKETING.

Section 1.01 *Aim of marketing.*

The CONTRACTOR may engage in marketing within the marketing guidelines set out in this Agreement. The CONTRACTOR'S marketing activities must have the goal of increasing the number of applications for health insurance and be consistent with HHSC's outreach campaign.

Section 1.02 *Marketing guidelines.*

The CONTRACTOR can accept CHIP applications with eligibility verification and mail to P.O. Box.

The Administrative Services Contractor must handle all disenrollments. The CONTRACTOR is not allowed to discuss, induce or accept disenrollment. If the CONTRACTOR approaches a person who states that he or she is enrolled in a CHIP health plan, the CONTRACTOR must end the conversation.

The CONTRACTOR is prohibited from engaging in door-to-door marketing or solicitation.

The CONTRACTOR is prohibited from marketing to any child who is eighteen (18) years of age or younger.

The CONTRACTOR is prohibited from street marketing.

The CONTRACTOR may conduct telephone marketing during incoming calls from prospective members. The CONTRACTOR may return telephone calls only when requested to do so by the caller. The CONTRACTOR is prohibited from telemarketing.

If the CONTRACTOR approaches a person who is currently enrolled in Medicaid, no marketing can take place; the CONTRACTOR must refer the individual to the Medicaid enrollment broker.

The CONTRACTOR'S marketing representatives must wear ID badges with nametags and photographs.

The CONTRACTOR may conduct face-to-face marketing during CBO, Administrative Services Contractor, or health plan sponsored events.

The CONTRACTOR may conduct health-related promotional giveaways under \$10 during events sponsored by a CBO, the Administrative Services Contractor, or the health plans, to the extent permitted by TDI rules.

The CONTRACTOR must seek and obtain permission from the appropriate person or entity at the site where the CONTRACTOR plans to market prior to engaging in CHIP marketing activities. With permission, the CONTRACTOR may market at small businesses and factories, unemployment offices, Head Start, WIC, day care centers, providers' offices, and schools. The CONTRACTOR must not marketing in County Welfare Agencies (CWA) or around the CWA office.

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Only the following marketing activities are allowed: billboards, literature display racks, bus ads, flyers, newspaper advertisements, pamphlets, brochures, radio advertisements, television advertisements, and CHIP material provided by HHSC or TDH.

The CONTRACTOR must submit to HHSC for approval a marketing schedule at least five (5) business days prior to beginning of any CHIP marketing activity. The CONTRACTOR must indicate the exact address of the site at which it will market on the schedule. **Note: the timeframe for HHSC's approving the schedule is still under development.** The CONTRACTOR must receive HHSC's approval of the schedule prior to the marketing event, which approval HHSC may not unreasonably withhold. If HHSC or its designee does not approve the marketing schedule, the CONTRACTOR is prohibited from engaging in the marketing activity set out on the schedule at the time indicated. HHSC may require changes in the marketing schedule before it will approve the schedule.

The CONTRACTOR must comply with all state insurance law and TDI regulations regarding prohibitions on marketing.

The CONTRACTOR may conduct a plan-sponsored event. **Note: This guideline may be further clarified.**

Section 1.03 Regulation.

An industry group with representation of large and small health plans, as well as *ex officio* representation from the State and consumers, will be charged with policing the CONTRACTOR'S marketing activities during the first year of the Initial Term, including recommending penalties for violations based on a sanctions schedule approved by HHSC. At the end of the first year of the Initial Term, the State will evaluate the effectiveness of this regulatory approach and if that approach is deemed by HHSC to be inadequate, HHSC will establish a state-run enforcement mechanism.